FRONTIER LITHIUM INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED JUNE 30, 2023

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INTRODUCTION

This management's discussion and analysis ("MD&A") has been prepared as of August 28, 2023, and should be read in conjunction with Frontier Lithium Inc.'s (the "Company") financial statements for the three months ended June 30, 2023 and 2022. Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The Company's presentation currency is Canadian dollars. Reference herein of $ is to Canadian dollars and US$ is to United States dollars.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained in this MD&A including, but not limited to, any information as to the future plans and outlook for the Company, constitute "forward-looking information" or "forward-looking statements" within the meaning of Canadian securities laws. Forward-looking statements are based on expectations, estimates and projections as of the time of this MD&A. The words "anticipates", "plans", "expects", "indicate", "intend", "scheduled", "estimates", "forecasts", "guidance", "initiative", "outlook", "potential", "projected", "pursue", "strategy", "study", "targets", or "believes", or variations of or similar such words and phrases or statements that certain actions, events or results "may", "could", "would", or "should", "might", or "way forward", "will be taken", "will occur" or "will be achieved" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, acting in good faith, as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect. Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied by any forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. Readers are cautioned not to place undue reliance on these forward-looking statements as a number of important risk factors, including but not limited to the risk factors contained under the heading "Risk Factors" in this MD&A and in the Company's Annual Information Form, and future events could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates, assumptions and intentions expressed in such forward-looking statements.

Readers are cautioned that the foregoing lists of risk factors included in this MD&A are not exhaustive. The forward-looking information contained in this MD&A is expressly qualified by these cautionary statements. All forward-looking information in this MD&A speaks as of the date of this MD&A. The Company does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. All forward-looking information contained in this MD&A is expressly qualified in its entirety by this cautionary statement.

CAUTIONARY NOTE TO U.S. INVESTORS

This MD&A has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ materially from the requirements of United States securities laws applicable to U.S. companies. For U.S reporting purposes, the United States Securities and Exchange Commission (the "SEC") has adopted amendments to its disclosure rules in Regulation S-K (Subpart 1300) (the "SEC Modernization Rules") to modernize the mineral property disclosure requirements for issuers, referred to as "mining registrants," whose securities are registered with the SEC. These amendments became effective in February 2019 with compliance required for the first fiscal year beginning on or after January 1, 2021. While not applicable to the Company, the SEC Modernization Rules replace the historical property disclosure requirements for mining registrants that were included in SEC Industry Guide 7. Information concerning our mineral properties has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of the SEC set forth in Industry Guide 7. In accordance with NI 43-101, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM"). While the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are recognized and required by NI 43-101, and now recognized under the SEC Modernization Rules, SEC Industry Guide 7 does not recognize them. You are cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic viability. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of measured mineral resources or indicated mineral resources will ever be upgraded into mineral reserves.

I. OVERVIEW OF FRONTIER LITHIUM INC.

The Company is a Canadian junior mining company actively focused on the acquisition, exploration and development of mineral resource properties in North America. The Company is domiciled in Canada and incorporated under the *Alberta Business Corporations Act*. The Company's head office address is 2736 Belisle Drive, Val Caron, Ontario, P3N 1B3 and its registered office address is 1250, 639-5th Avenue S.W., Calgary, Alberta, T2P 0M9. The Company's shares are publicly traded on the TSX Venture Exchange ("TSX-V") under the symbol "FL", the U.S. based OTCQX Venture Market under the symbol "LITOF" and the Frankfurt Stock Exchange under the symbol "HL2".

PROJECT OVERVIEW

The Company's flagship asset is the 100% owned PAK Lithium Property (the "PAK Lithium Project") located 175 km north of Red Lake, Ontario in the Red Lake Mining District and covers an area of 27,062 hectares comprising of three Mining Leases and 1,261 Mining Claims of which 1,258 are contiguous with the Mining Leases. The Company maintains the largest land position on the Electric Avenue, an emerging premium lithium-mineral district which is hosted in the Canadian Shield of northwestern Ontario. The Electric Avenue is a major structural corridor in northwestern Ontario that divides two geological domains for hundreds of kilometers and hosts multiple rare metal occurrences containing high levels of lithium in the mineral called spodumene. Chief among these known occurrences are the PAK and Spark pegmatite deposits, located at the southeastern end of the Electric Avenue on the Company's PAK Lithium Project (Figure 1).

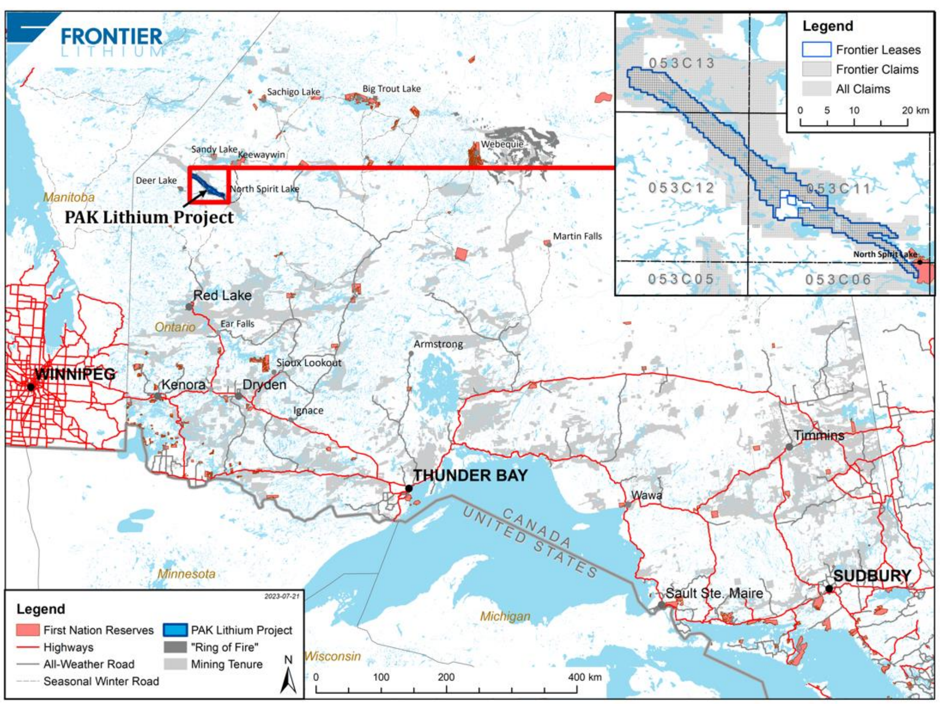

Figure 1: Project Location

The Company has been actively involved since February 2013 in the exploration and development of the PAK Lithium Project, which hosts at surface one of the highest quality spodumene lithium hard rock deposit in North America (Figure 2) at the PAK deposit. The PAK and Spark deposits combined are among the highest-grade resources with the lowest iron impurity levels in North America (e.g., iron levels less than 0.15% Fe_2O_3 in the lattice of the spodumene crystals).

Figure 2: Surficial Exposure of PAK deposit

The Company published a Pre-Feasibility Study ("PFS") on July 14th, 2023. The pre-tax base case financial model results in an internal rate of return ("IRR") of 28.6% and a Net Present Value ("NPV") of $3,365M with a discount rate of 8%. The simple pre-tax payback period is 4.9 years. On an after-tax basis, the base case financial model results in an internal rate of return of 24.1% and an NPV of $2,261M with a discount rate of 8%. The simple after-tax payback period is 4.9 years. The project models a fully-integrated lithium operation utilizing spodumene concentrate generated from the PAK Lithium Project to achieve downstream conversion for production of battery-quality lithium chemicals and concentrate for the glass and glass-ceramics market. Please refer to the NI 43-101 Technical report by BBA Engineering Ltd. ("BBA") issued on July 14th, 2023, and filed under the Company's profile on SEDAR (the "Technical Report"). The Company has completed in-fill drilling on the Spark deposit and work necessary to support the Pre-Feasibility Study ("PFS") assessing a fully-integrated lithium operation. The Company's proposed lithium operation includes the production of technical grade lithium concentrates required by premium glass-makers and chemical grade lithium concentrates required as feedstock for the planned production of both lithium carbonate and lithium hydroxide at a downstream lithium conversion plant.

BUSINESS OBJECTIVES

The Company's objective is to become a strategic domestic supplier of spodumene concentrates for industrial users as well as battery-grade lithium hydroxide and other chemicals to the growing electric vehicle and energy storage markets in North America. The Company maintains the largest land position and resource in a new premium lithium mineral district located in Ontario's Great Lakes region.

LEADERSHIP TEAM

The Company's leadership team's successful mining ventures include a multi-decade track record in funding, partnering, constructing and operating mining and refining companies in North America.

II. HIGHLIGHTS FOR THE CURRENT QUARTER AND RECENT DEVELOPMENTS

EXPLORATION

PHASE XII DRILL PROGRAM

Phase XII drill program on the Spark Pegmatite was initiated in May 2022 and completed in October 2022. The Company has completed 14,641.1m of drilling in 45 holes and has reported analysis from all drill holes as of February 8, 2023. The detailed results are available on SEDAR (www.sedar.com). The initial objective for the Phase XII drill program was conversion of inferred resource within the Spark deposit to indicated category in preparation for a pre-feasibility study on the PAK Lithium Project. The latter half of the program included geotechnical drilling for ground control and pit design purposes as well as step out drilling to define the eastern and western extents of the ore body.

The program was successful in that the in-fill drill hole intersections were as anticipated in both grades and width and the host rock appears relatively competent. Drilling also indicates that the Spark pegmatite remains open at depth and to the west. To the east, the pegmatite is beginning to pinch out but still remains open.

PHASE XIII DRILL PROGRAM

Phase XIII drill program commenced in February 2023 with four additional holes drilled at Spark collared in muskeg areas testing the southwestern extension of the deposit before delineating the Bolt pegmatite. Since February the Company has completed 11,364m in 46 Drill holes. A total of 2,033m were completed at the PAK deposit on geomechanical and hydrogeological test work in preparation of the definitive feasibility study. During the winter 2023, the Bolt pegmatite was delineated at widely spaced single hole fences. A total of 3,805.6m in 15 holes were completed for which results from the first two holes were released on May 9th, 2023 and four more on August 10th 2023, with the latter indicating the Bolt pegmatite a width of up to 75 meters. The remaining meterage was completed testing the area between the PAK deposit and the Bolt pegmatite as well as condemnation drilling in areas of proposed infrastructure.

REGIONAL MAPPING PROGRAM

Between May and August 2022, the Company conducted both detailed and regional mapping and prospecting in areas both proximal to known spodumene-bearing pegmatites and in under-explored areas within its approximately 27,000 hectare land tenure.

The mapping was completed using Panasonic Toughbook Tablets, running the GSC Field application. The field data was then compiled into ArcGIS. Assay samples were collected from potential lithium-bearing pegmatites.

The entire project area was covered at a regional scale. The winter road and the powerline right of way which traverse through much of the project area were extremely useful as a landing and pickup site. Initial results were released on January 31, 2023. A new spodumene-bearing pegmatite zone, 10 by 15m, was discovered approximately 1 km west-northwest of the Spark pegmatite. Grab samples averaged 3.1% Li_2O. Prospecting and mapping in the Pennock pegmatite area discovered additional pegmatite dykes up to 30m in length and 3 to 5 m in width. Grab samples averaged 1.7% Li_2O. Several other pegmatite veins and narrow dykes were located, however, spodumene was not confirmed and grab samples indicated background values.

Since May 2023, follow-up to the 2022 reconnaissance program, has been underway including more detailed prospecting/mapping and channel sampling.

OTHERS

During September 2022, a UAV (drone) aerial magnetic survey was flown over a 15 km^2 area encompassing the region PAK, Bolt, Spark and the new discovery west-northwest of Spark. Highly magnetic horizons are known to occur in the metasediments (banded iron formation) at PAK as well as the flanking metavolcanics. The data collected from the survey will be used in conjunction with LiDAR data to assist with the identification of geology and structure and to assess its usefulness for regional exploration.

In May 2023, a second UAV aerial magnetic survey was flown over a 6 km^2 area encompassing the Pennock pegmatite dyke area and re-flew portions of the Spark-PAK area at a tighter line spacing and lower terrain clearance in an attempt to delineate more detail. The results are encouraging and are being used to assist with detailed mapping over the pegmatites.

The Company continues to work on environmental baseline studies, a step that will enable it to advance project permitting.

In January 2023, the Company entered into an arm's length purchase agreement to purchase a camp, together with inventories, for total proceeds of $2.0 million to be settled as follows 1) $0.5 million paid in February 2023, 2)$1.25 million paid on June 1, 2023 on possession of the camp and 3) the remaining $0.25 million payable on October 1, 2023.

RESULTS OF PRE-FEASIBILITY STUDY

In May 2023, the Company released the results of PFS for a proposed mine-to lithium chemical/hydromet plant facility ("Integrated Project") in the great Lakes Region of North America. The PFS was published on July 14th 2023. The PFS assumes a hydromet plant that would convert spodumene concentrate feedstock sourced from a vertically integrated spodumene open-pit mining and milling facility at the Company's PAK Lithium Project, located north of Red Lake, Ontario. The results of the PFS include a pre-tax net present value at an 8 percent discount rate of US$2.59 billion with a pre-tax internal rate of return of 28.6 percent and a post-tax NPV at an 8 percent discount rate of US$1.74 billion with a post-tax IRR of 24.1 percent.

The PFS confirms that the 100% owned Project could be the continent's largest and lowest-cost producer of lithium hydroxide able to supply the rapidly growing electric vehicle industry in North America.

The PFS is based on an updated mineral resource estimate completed by Todd McCracken, P.Geo, outlined in the National Instrument 43-101 technical report update.

Commodity Price Assumptions from the PFS are, base-case premium technical grade lithium concentrate of 7.2% Li2O (TG_SC7.2) price of US$3,000 per tonne, chemical grade lithium concentrate of 6.0% Li2O (CG_SC6.0) price of US$1,350 per tonne; lithium hydroxide price of US$22,000 per tonne; lithium carbonate US$20,500 per tonne and an exchange rate of $1.30 USD/CAD.

LITHIUM CHEMICAL TEST WORK DEVELOPMENT

For the purpose of the DFS, the Company is assessing the conventional sulphate process for the lithium chemicals conversion plant which is low-risk and used extensively in East Asia for manufacturing lithium carbonate and hydroxide from hard-rock spodumene sources. Following conversion of the α-spodumene concentrate to β-spodumene through calcining and acid roasting lithium sulfate solution is obtained by leaching whereby it is further purified through precipitation and an ion exchange process to remove the remaining trace impurities from the solution. The concentrated pure lithium sulfate solution is then used as a starting solution for the production of both lithium carbonate and lithium hydroxide monohydrate.

In the lithium carbonate circuit, the lithium sulfate solution is mixed with a sodium carbonate solution to form lithium carbonate and sodium sulfate. The lithium carbonate is precipitated under controlled conditions (i.e. temperature and time) to get the primary lithium carbonate. The sodium sulfate is crystallized as a by-product in a crystallizer. The primary crude lithium carbonate is then further purified to meet the exacting battery grade standards to get the final battery grade product.

In the lithium hydroxide circuit, sodium hydroxide solution is added into the lithium sulfate solution to form lithium hydroxide and sodium sulfate. Sodium sulfate is then removed from the solution. The remaining lithium hydroxide solution is evaporated to produce lithium hydroxide crystals. The crystallization process is designed to produce battery grade lithium hydroxide products.

CORPORATE LEADERSHIP TEAM CHANGES

In April 2023, the Company announced the resignation of Mr. Tony Zheng, who has served as CFO, due to personal reasons. Frontier has appointed Mr. John Didone, a long-time member of its Board of Directors, as the Acting Chief Financial Officer. Mr. Zheng will provide advisory services for a period of time to support Mr. Didone and ensure a smooth transition. Mr. Didone will hold this position until a replacement has been appointed. Mr. Didone was a Partner at SRWC LLP, Chartered Professional Accountants based out of

Sudbury, Canada. He had been with the firm since 1980 and over this time has gained considerable insight of business affairs, in particular his demonstrated experience offering professional advice on the expansion of national companies. Mr. Didone is familiar with Frontier's strategic goals, staged growth strategy and has experience working with mining and construction sectors. He graduated from Laurentian University's Commerce program earning an HBCom. and maintains designations and/or certifications as a CPA, CA, CMA.

In June 2023, the Company appointed Mr. Gregory Da Re as Vice President of Corporate Development . Mr. Da Re brings a deep understanding of electric vehicle battery supply chains and brings two decades of experience as an accomplished investment executive. During his time at Invest in Canada, the Government of Canada's global investment attraction agency, Mr. Da Re managed a pipeline of over $20 billion as the federal client-focused lead for Ontario's efforts to attract and build an EV supply chain within the province, including investments to create Canada's first EV battery gigafactory in Windsor (JV between LG Energy Solution and Stellantis), Umicore's first North American cathode active materials production facility near Kingston, and VW/PowerCo's first gigafactory in North America in St. Thomas.

In August 2023, the Company announced the appointment of Mr. Erick Underwood as its new Chief Financial Officer. Mr. Underwood brings with him over 25 years of extensive experience in the finance and project development sectors within the mining industry. Mr. Underwood is a highly accomplished executive with a strong track record of success in major projects and assets, having held key positions at esteemed companies such as Chesapeake Gold Corp, Cia. Minera Zafranal (Teck Resources Ltd.), AQM Copper Inc, and BHP Billiton.

III. RESULTS OF OPERATIONS

SELECTED FINANCIAL INFORMATION

The following table represents select financial and operating results of our company for the three months ended June 30, 2023, and 2022

(in thousands of Canadian dollars, except for shares and per share figures)

		2023		2022
EXPENSES				
Exploration and evaluation expenditures	**$**	**4,506**	$	2,621
General and administrative expenses		**2,107**		2,396
Interest income		**(214)**		-
Accretion expense on lease liabilities		**5**		9
Fair value loss on marketable securities, net		**-**		3
Foreign exchange loss		**1**		1
Loss before tax		**(6,405)**		(5,030)
Deferred income tax recovery		**-**		-
Net loss and comprehensive loss	**$**	**(6,405)**	$	(5,030)
Net loss per share				
Basic and diluted	**$**	**(0.03)**	$	(0.02)
Total cash used in Operations activities	**$**	**(4,636)**	$	(2,863)
Total cash used in Investing activities		**(1,365)**		(33)
Total cash provided by Financing activities		**970**		1,956
Net change in cash and cash equivalents	**$**	**(5,031)**	$	(940)

Three Months Ended June 30, 2023 and 2022

The Company reported a net loss and comprehensive loss of $ 6.4 million ($0.03 per share) for the three months ended June 30, 2023, compared to a loss and comprehensive loss of $ 5.0 million ($0.02 per share) for the three months ended June 30, 2022 resulting in an increase of $1.4 million. The increase is a net result of an increase of $2 million in the exploration and evaluation expenditures which was mainly due to the Company's continued ramp up of its exploration activities and metallurgical test work for the PFS, and a decrease of $0.3 million in expenses related to share-based compensation for employee turnover. A decrease of $0.2 million is contributed towards net loss and comprehensive loss from the interest income earned during three months ended June 30, 2023 compared to $Nil for three months ended June 30, 2022.

The Company reported a net cash outflow of $5.0 million for the current quarter, an increase of $4.1million net cash outflow when compared to the same period last fiscal year. The increase of cash outflow was mainly due to an increase of $1.7 million in cash used for operations and $1.3 million of cash used in investing activities. The cash provided from financing activities for the current quarter were decreased by $1.0 million as compared to the cash provided from financing activities to the same period last fiscal year.

Exploration and evaluation expenditures on the PAK Lithium Property

(in thousands of Canadian dollars)

		2023		2022
Personnel cost	$	**607**	$	224
Consulting fees		**1,130**		435
Drilling		**1,336**		711
Assay and sampling		**172**		52
Research and development, net of government assistance		**333**		200
Camp and equipment expenses		**148**		520
Travel and transportation cost		**780**		479
Total exploration and evaluation expenditures	**$**	**4,506**	$	2,621

The Company reported total exploration and evaluation expenditures of $4.5 million for the three months ended June 30, 2023. There was an overall increase when compared to $2.6 million for the three months ended June 30, 2022. The increase from comparable period is mainly due to the Company's continued ramp up of its exploration activities and metallurgical test work for the PFS.

General and Administrative Expenses

(in thousands of Canadian dollars)

		2023		2022
Salaries, benefits and consulting	**$**	**482**	$	317
Share-based payments		**1,160**		1,545
Professional fees		**99**		136
Office, administration and other		**214**		229
Shareholder related fees		**92**		30
Depreciation		**60**		139
Total general and administrative expenses	**$**	**2,107**	$	2,396

The Company reported a total general and administrative expenses of $2.1 million for the three months ended June 30, 2023, a decrease of $0.3 million when compared to the comparative period last fiscal year. The decrease in general and administrative expenses from both comparable periods were mainly attributable to a decrease share-based compensation. This decrease can primarily be attributed to the employee turnover.

SELECTED QUARTERLY INFORMATION

A summary of selected financial information for the eight recently completed quarters is presented below. During the year ended March 31, 2022, the Company changed its accounting policy for exploration and evaluation expenditures to expense them as incurred. Management considered that this retrospectively applied change in accounting policy will result in clearer, more relevant and reliable financial information by reducing financial reporting complexity. Under the previous accounting policy, exploration and evaluation expenditures were capitalized. Please see the note 15 of the Company's audited financial statements for the year ended March 31, 2022 for details.

(in thousands of Canadian dollars, except for shares and per share figures)

For the quarter ended	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Revenue	$Nil	$Nil	$Nil	$Nil
Income from operations	$Nil	$Nil	$Nil	$Nil
Exploration and evaluation expenditures	$(4,506)	$(5,061)	$(2,179)	$(4,332)
General and administrative expenses	$(2,107)	$(2,660)	$(4,874)	$(692)
Interest income	$214	$313	$256	$53
Loss before tax	$(6,405)	$(7,411)	$(6,809)	$(4,982)
Deferred income tax recovery	-	-	-	-
Net loss and comprehensive loss	$(6,405)	$(7,411)	$(6,809)	$(4,982)
Weighted average number of shares outstanding	227,612,819	225,568,296	219,429,659	212,816,365
Net loss per share, basic and diluted	$(0.03)	$(0.03)	$(0.03)	$(0.02)

As at	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Cash and cash equivalents	$22,340	$27,371	$30,156	$13,320
Working capital(1)	$20,914	$27,236	$30,215	$11,633
Exploration and evaluation assets	$5,426	$5,426	$5,426	$5,426
Total assets	$31,575	$35,197	$37,352	$20,274
Total liabilities	$2,592	$1,957	$1,401	$2,921
Equity	$28,983	$33,240	$35,951	$17,353

(1) *See Section XIII for details.*

For the quarter ended	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Revenue	$Nil	$Nil	$Nil	$Nil
Income from operations	$Nil	$Nil	$Nil	$Nil
Exploration and evaluation expenditures	$(2,621)	$(1,896)	$(1,076)	$(666)
General and administrative expenses	$(2,396)	$(2,188)	$(1,140)	$(1,567)
Loss before tax	$(5,030)	$(4,065)	$(2,165)	$(2,229)
Deferred income tax recovery	-	$179	$27	$87
Net loss and comprehensive loss	$(5,030)	$(3,885)	$(2,139)	$(2,142)
Weighted average number of shares outstanding	210,840,426	204,807,969	198,956,929	195,609,687
Net loss per share, basic and diluted	$(0.02)	$(0.02)	$(0.01)	$(0.01)

As at	June 30, 2022	March,31 2022	December 31, 2021	September 30, 2021
Cash and cash equivalents	$16,743	$17,683	$18,199	$7,956
Working capital[(1)]	$16,108	$17,559	$17,768	$7,307
Exploration and evaluation assets	$5,426	$5,426	$5,426	$5,426
Total assets	$23,614	$24,628	$24,113	$13,960
Total liabilities	$1,770	$1,310	$788	$1,084
Equity	$21,844	$23,318	$23,323	$12,876

[(1)] *See Section XIII for details.*

Over the last eight quarters, the Company raised funds several times other than exercises of stock options and warrants: (i) a private placement of 1,822,708 units at $1.30 per unit ("the Units") for total gross proceeds of $2.4 million in April 2021, whereby each unit consisted of one common share and one half of one share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $1.50 per share for a period of 24 months; and (ii) a bought deal private placement of 6,453,000 flow-through common shares at a price of $1.86 per share for total gross proceeds of $12.0 million in December 2021. (iii) In November 2022, the Company issued 10,465,000 units in a bought deal prospectus offering, including 1,365,000 Units issued in connection with the exercise in full of the over-allotment option granted to the underwriters in connection with the Offering, at a price of $2.20 per Unit for total proceeds of $23 million. Each Unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company. Each warrant entitles the holder to purchase one common share of the Company at a price of $2.75 for a period of 36 months following the closing of the offering. A total of 5,232,500 warrants were issued and they were valued at $5.2 million. The Company also incurred an issuance cost of $1,528, including 5.5% cash commission paid to the underwriters, which $1,184 and $344 were allocated to shares issuance cost and warrant issuance cost, respectively.

These successful financings strengthened the Company's cash and working capital positions which enabled the Company to ramp up its exploration activities and metallurgical test work for the PEA completed in April 2021 and advancement of the PFS. The Company has spent all the proceeds from the Pre-November 2022 as disclosed and intends to spend the remaining proceeds from the November 2022 financing as disclosed.

IV. OUTLOOK

The Company's objective is to become a strategic supplier of technical grade spodumene concentrates for premium glass and glass-ceramics producers and battery-grade lithium hydroxide and other lithium chemicals to the growing electric vehicle and energy storage markets in North America.

The PAK Lithium Project is one of the highest quality lithium spodumene mineral resources in North America due to its high lithium content and low impurities. Low iron spodumene is less common than higher iron spodumene increasing its market value when processed into ceramic grade concentrates. The low iron spodumene is also particularly well suited to producing the high-quality lithium concentrates used to produce battery quality lithium chemicals. Spodumene has a cost advantage over the alternative brine sources that require extra chemical processing conversion steps when used to produce lithium hydroxide.

The Company is primarily in an exploration phase with a pre-feasibility study showing a positive NPV for fully-integrated lithium operation. The positive results of the PFS are based on the traditional, low risk spodumene processing flowsheet described in the lithium chemical development section.

The PFS shows a phased development approach. Phase 1 of the project shows mine and mill to initially produce premium spodumene concentrates. The Phase 2 plan would increase mine and mill production to feed a downstream refinery to produce lithium chemicals for the energy storage and electric vehicle battery market.

On May 31, 2023, the Company announced that a demo/pilot lithium chemical plant will be constructed in the Greater Sudbury area. This demo plant will be used to test and prove the process being used in the future commercial plant, to produce battery grade of lithium chemicals for the samples used for qualification process for downstream cathode makers and battery makers, to test in-house innovations, to train operators and to act as an R&D base for the future commercial lithium chemical plant.

To advance its plans, the Company will seek to negotiate agreements with the holders of Indigenous interests proximal to the PAK Lithium Project. The agreements will likely cover a variety of subjects, including the facilitation of development work on its property interests. The intent of these agreements is to go beyond the agreements already in place for the exploration phase of mining. The agreements will have costs associated with them, costs that are not fully known at this time.

V. LIQUIDITY AND CAPITAL RESOURCES

The primary objectives of the Company's capital management policy are to ensure that the Company raises sufficient funds in order to execute its business plan which is designed to maximize shareholder value.

Since inception, the Company has relied primarily on equity financings to fund its operations. The Company has had recurring operating losses since inception. See "Risk Factors" section and for further details on the risk factors affecting the Company, please see the Company's Annual Information Form for the year ended March 31, 2023 filed on SEDAR on July 28, 2023.

The Company expects it will have sufficient capital to complete the PFS. The Company raised $23.0 million on a gross basis (approximately $21.5 million, net of issuance cost) through a bought deal prospectus offering in November 2022 in order to fund general administration and corporate expenditures and to advance Phase 1 of the DFS (technical grade concentrate production) and some key programs that support a Phase 2 DFS (battery grade lithium chemicals production), following delivery of a positive PFS.

The Company considers the following items as capital: Cash and cash equivalents, share capital and contributed surplus in the amount of $138.7 million (March 31, 2023 - $141.5 million).

When managing capital, which is a broader concept than the "equity" in the statement of financial position, the objectives of the Company are:

• To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

• To maintain a strong capital base to support the exploration for and development of its mineral deposits.

There have been no changes in the Company's capital management when compared to the prior year. Management intends to optimize its cash management while continuing to fulfill its operating cash needs.

Liquidity risk is the risk that the Company will not be able to meet its payment obligations when they fall due under normal and stress circumstances. The Company monitors its liquidity risk by considering the maturity of its financial liabilities. The Company's ability to access debt and equity markets when required may be impacted by factors beyond its control, such as economic and political conditions that may affect the capital markets generally.

Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future. Should management be unable to raise sufficient capital to fund operations and growth there would be a material adverse effect on the Company's business, financial condition, results of operations and its ability to continue as a going concern.

VI. CONTRACTUAL OBLIGATIONS, COMMITMENTS AND CONTINGENCIES

CONTRACTUAL OBLIGATIONS

Our future undiscounted obligations as at June 30, 2023 are as follows:

At June 30, 2023	Due within 1 year ($000)	Due between 1 and 5 years ($000)	Total ($000)
Accounts payable and accrued liabilities	2,485	-	**2,485**
Lease obligations	51	56	**107**
Total	**2,536**	**56**	**2,592**

COMMITMENTS AND CONTINGENCIES

From 2016 to 2019, the Company entered into four exploration agreements with First Nation communities situated near the PAK Lithium Project. The obligations under the agreements have been made to date. The Company currently has no capital expenditure commitments as at June 30, 2023.

In January 2023, the Company entered into an arm's length purchase agreement to purchase a camp, together with inventories, for total proceeds of $2.0 million to be settled as follows 1) $0.5 million paid in February 2023, 2)$1.25 million paid on June 1, 2023 on possession of the camp and 3) the remaining $0.25 million payable on October 1, 2023.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements at the date of this MD&A.

VII. FINANCIAL INSTRUMENTS

The Company does not currently utilize complex financial instruments in hedging lithium price, foreign exchange or interest rate exposure. The Company will not hold or issue derivative instruments for speculation or trading purposes.

Where the fair value of financial assets and financial liabilities recorded in the financial statements cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

When measuring the fair value of an asset or liability, the Company uses observable market data to the greatest extent possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

VIII. RELATED PARTY TRANSACTIONS

Key management personnel include members of the Board of Directors and certain senior officers. Remuneration of our key management personnel was as follows:

	For the three months ended June 30,			
		2023 ($000)		2022 ($000)
Compensation – salaries, benefits and consulting	**$**	**374**	$	138
Share-based compensation		**1,054**		1,545
Total	**$**	**1,428**	$	1,683

Included in accounts payable is $617,000 (March 31, 2023 - $65,000) owing to corporations controlled by a director of the Company.

The transactions above are in the normal course of operation and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

IX. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are discussed in Note 2(d) "Significant accounting policies" of the Company's three months ended June 30, 2023 unaudited condensed interim financial statements.

X. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Significant accounting judgements, estimates and assumptions are discussed in Note 3 of the Company's year three months ended June 30, 2023, unaudited condensed interim financial statements.

XI. RISK FACTORS

The Company's business activities are subject to a variety and wide range of inherent risks and uncertainties. Any of these risks could have an adverse effect on the Company, its business and prospects, and could cause actual outcomes and results to differ materially from those described in forward-looking statements relating to the Company. For further details on the risk factors affecting the Company, please see the Company's Annual Information Form for year ended March 31, 2023, filed on SEDAR on July 28, 2023.

XII. QUALIFIED PERSON

Unless stated otherwise herein, all scientific and technical data contained in this MD&A has been reviewed, approved and verified by Garth Drever, P.GEO. who is the Company's in-house "Qualified Person" within NI 43-101 and is a member in good standing of the Professional Geoscientists Ontario. Mr. Drever is also the Company's Vice President, Exploration. Therefore, he is not considered to be independent under NI 43-101.

XIII. USE OF NON-GAAP FINANCIAL MEASURES AND RATIOS

The Company's financial results are prepared in accordance with IFRS. This document refers to a non-GAAP financial measure "working capital" which is not a measure recognized under IFRS in Canada and that does not have a standardized meaning prescribed by IFRS or by Generally Accepted Accounting Principles ("GAAP") in the United States.

This non-GAAP financial measure does not have standardized meanings under IFRS, may differ from those used by other issuers, and may not be comparable to similar financial measure reported by other issuers. This financial measure has been derived from the Company's financial statements and applied on a consistent basis as appropriate. The Company discloses this financial measure because it believes they assist readers in understanding the result of the Company's operations and financial position and provide further information about the Company's financial results to investors.

This measure should not be considered in isolation or used in substitute for other measures of performance prepared in accordance with IFRS.

Working capital: the difference between current assets and current liabilities.

XIV. INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's Chief Executive Officer ("CEO") and acting Chief Financial Officer ("CFO") have established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that: (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the corresponding certificate for venture issuers does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers of the Company do not make any representations relating to the establishment and maintenance of:

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with IFRS.

The Company's CEO and acting CFO are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the corresponding certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

XV. OUTSTANDING SHARE DATA

As at August 28, 2023, the Company had 227,627,041 common shares issued and outstanding, and 19,750,718 stock options and 5,426,090 warrants outstanding.

XVI. OTHER INFORMATION

Additional information regarding the Company is available on the Company's website (www.frontierlithium.com) and on the Company's profile on SEDAR at www.sedar.com.

FRONTIER LITHIUM INC.

Trevor R. Walker, President & CEO
August 28, 2023